

**LEGISLATIVE SERVICES AGENCY
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FISCAL IMPACT STATEMENT

LS 7722

BILL NUMBER: HB 1647

NOTE PREPARED: Apr 11, 2007

BILL AMENDED: Apr 9, 2007

SUBJECT: College Head Start.

FIRST AUTHOR: Rep. Porter

FIRST SPONSOR: Sen. Lubbers

BILL STATUS: As Passed Senate

FUNDS AFFECTED: X **GENERAL**
DEDICATED
FEDERAL

IMPACT: State & Local

Summary of Legislation: (Amended) *21st Century Scholars*: This bill expands eligibility for the 21st Century Scholars program to grade 7 students, and, beginning with the 2008-2009 school year, to grade 6 students.

GED: The bill provides that an individual must be at least 18 or have withdrawn from school with permission to receive a GED diploma.

Graduation Calculation: The bill modifies the formula for determining graduation rates, and adds an informational five-year and six-year graduation rate determination.

Effective Date: July 1, 2007.

Explanation of State Expenditures: *Twenty-First Century Scholars*: The bill changes the grade for eligibility to enter the program from Grade 8 to Grade 7 for the 2007-2008 school year and Grades 6 and 7 for the 2008-2009 school year. The impact would depend if participation in the program increased due to having 3 years to enroll instead of 2 years. The bill should not significantly increase the long-term cost of the program unless the number of students utilizing the scholarship increased significantly, but could increase the costs in the first year of providing information and enrolling Grades 6, 7, and 8 instead of just Grade 7 and 8 and providing services to grades 6 and 7 to encourage students to go to college. The program currently does enroll 7th grade students in the program.

Background: The General Fund appropriations for the 21st Century Scholars Program have been the following.

	FY 2004	FY 2005	FY2006	FY2007
Administration	\$2,586,443	\$4,086,443	\$2,000,000	\$2,000,000
Awards	\$15,996,500	\$18,402,449	\$18,402,449	\$19,171,429

GED: The provision that a person must be at least 18 or have withdrawn from school with permission to receive a GED diploma could reduce the number of GED diplomas granted but the number is probably minor.

Graduation Calculation: The bill defines calculation of a four, five, and six graduation rate of schools. The four year graduation rate calculation is the number of students graduating in a year divided by the number of student enrolled in 9th grade at the period of reporting year four years before adjusted the number of students that have entered and left the graduating class. The bill also calculates a five year and six year graduation rate. Setting the method of determining the graduation rate should have no fiscal impact on the state.

Explanation of State Revenues:

Explanation of Local Expenditures:

Explanation of Local Revenues:

State Agencies Affected: State Student Assistance Commission, Department of Education.

Local Agencies Affected: Local Schools.

Information Sources:

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